

### **Remarks**

Applicant respectfully requests reconsideration of the present application in view of the foregoing amendments and following remarks. Claims 1-24 remain pending in the current application. Claims 21-24 have been allowed. Objected to claims 6-8 and 11-20 are in allowable form. Independent claims 1 and 4 have been amended without prejudice to seeking patent claims of the same, broader, or different scope of the claims in this application prior to amendment. Claims 1, 2, 4, 5, and 9 have been rejected under 35 U.S.C. § 102. Claims 1-5 and 9-10 have been rejected under 35 U.S.C. § 103. These rejections are respectfully traversed.

#### ***Patentability of Claims 1, 2, 4, 5, and 9 over Terao under § 102(e)***

The Action rejects claims 1, 2, 4, 5, and 9 under 35 U.S.C. § 102(e) as being anticipated by Terao. These rejections remain traversed. In order to expedite allowance of some claims in the present application, the claims have been amended to include "user-entered" and "encrypted" language in the independent claims 1 and 4. Applicant respectfully submits that the claims in their present form are allowable over Terao.

#### ***Claim 1***

Independent claim 1 is directed to a method for authenticating a first terminal to a second terminal, and recites in part: "merging the obtained string with a user-entered, encrypted password to create an identification code" (emphasis added). Terao fails to teach or suggest a method of authenticating a first terminal to a second terminal that comprises merging the obtained string with a user-entered, encrypted password to create an identification code.

Thus, independent claim 1 and its dependent claims 2, 3, and 5 are allowable over the cited art. Dependent claims 2, 3, and 5 are also independently patentable.

*Claim 4*

Independent claim 4 is directed to a method for authenticating a first terminal to a second terminal, and recites in part: "merging the obtained string with a user-entered, encrypted password to create an identification code" (emphasis added). Terao fails to teach or suggest a method of authenticating a first terminal to a second terminal that comprises merging the obtained string with a user-entered, encrypted password to create an identification code.

Thus, independent claim 4 and its dependent claim 9 are allowable over the cited art. Dependent claim 9 is also independently patentable.

***Patentability of Claims 1, 2, 4, 5, and 9 over Terao in view of Hayashida under § 103***

The Action alternatively rejects claims 1, 2, 4, 5, and 9 under U.S.C. § 103(a) as being obvious over Terao in view of Hayashida. These rejections remain traversed. In order to expedite allowance of some claims in the present application, the claims have been amended to include "user-entered" and "encrypted" language in the independent claims 1 and 4. Applicant respectfully submits that the claims in their present form are allowable over the cited art.

*Claim 1*

Independent claim 1 is directed to a method for authenticating a first terminal to a second terminal, and recites in part: "merging the obtained string with a user-entered, encrypted password to create an identification code" (emphasis added).

Terao fails to teach or suggest a method of authenticating a first terminal to a second terminal that comprises merging the obtained string with a user-entered, encrypted password to

create an identification code, as discussed above. Hayashida similarly fails to teach or suggest a method of authenticating a first terminal to a second terminal that comprises merging the obtained string with a user-entered, encrypted password to create an identification code, as recited in independent claim 1.

Since the cited references, both alone and in combination, fail to teach or suggest the combination of elements recited in independent claim 1, Applicant believes the claim is not subject to a 103(a) rejection and request the rejection be withdrawn.

Thus, independent claim 1 and its dependent claims 2, 3, and 5 are allowable over the cited art. Dependent claims 2, 3, and 5 are also independently patentable.

#### *Claim 4*

Independent claim 4 is directed to a method for authenticating a first terminal to a second terminal, and recites in part: "merging the obtained string with a user-entered, encrypted password to create an identification code" (emphasis added).

Terao fails to teach or suggest a method of authenticating a first terminal to a second terminal that comprises merging the obtained string with a user-entered, encrypted password to create an identification code, as discussed above. Hayashida similarly fails to teach or suggest a method of authenticating a first terminal to a second terminal that comprises merging the obtained string with a user-entered, encrypted password to create an identification code, as recited in independent claim 4.

Since the cited references, both alone and in combination, fail to teach or suggest the combination of elements recited in independent claim 4, Applicant believes the claim is not subject to a 103(a) rejection and request the rejection be withdrawn.

Thus, independent claim 4 and its dependent claim 9 are allowable over the cited art.  
Dependent claim 9 is also independently patentable.

***Patentability of Claim 3 over Terao in view of Hayashida and further in view of Stambler  
under § 103***

The Action rejects claim 3 under U.S.C. § 103(a) as being obvious over Terao in view of Hayashida and further in view of Stambler. This rejection remains traversed.

Dependent claim 3 depends directly from independent claim 1 and is allowable for at least the reasons recited above in support of its parent claim 1. It is also independently patentable. Accordingly, the 35 U.S.C. § 103(a) rejection of claim 3 should be withdrawn. Neither Hayashida nor Stambler cure the deficiencies of Terao.

***Patentability of Claim 10 over Terao in view of Hayashida and further in view of Harkins  
under § 103***

The Action rejects claim 10 under U.S.C. § 103(a) as being obvious over Terao in view of Hayashida and further in view of Harkins. This rejection remains traversed.

Dependent claim 10 depends directly from independent claim 1 and is allowable for at least the reasons recited above in support of its parent claim 1. It is also independently patentable. Accordingly, the 35 U.S.C. § 103(a) rejection of claim 10 should be withdrawn. Neither Hayashida nor Harkins cure the deficiencies of Terao.

*Examiner Interview Summary*

Applicant thanks Examiner Darrow for participating in a telephonic interview on November 4, 2004, and respectfully presents the following summary of the substance of the interview.

The telephonic interview of November 4, 2004 included Justin D. Wagner as participant. No exhibit or demonstration was conducted. Claims 1 and 4 were discussed, as were the references U.S. Pub. No. 2003/0097567 A1 by Terao et al. ("Terao") and U.S. Patent No. 5,644,118 by Hayashida ("Hayashida").

Applicant continued to traverse any rejection based on the Terao and Hayashida references.

The Examiner is understood to have agreed that claims presented in this amendment will be allowed.

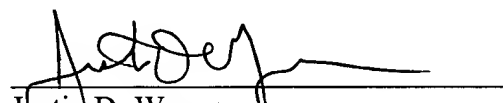
***Conclusion***

The claims in their present form should now be allowable. Such action is respectfully requested.

Respectfully submitted,

KLARQUIST SPARKMAN, LLP

By

  
Justin D. Wagner  
Registration No. 54,519

One World Trade Center, Suite 1600  
121 S.W. Salmon Street  
Portland, Oregon 97204  
Telephone: (503) 595-5300  
Facsimile: (503) 228-9446